

**State of Idaho
Waste Water State Revolving Fund
Intended Use Plan**

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IDAHO REVOLVING FUND

INTENDED USE PLAN

June 14, 2001 BOARD APPROVED

I. Introduction

The State of Idaho, Department of Environmental Quality (DEQ) proposes to adopt the following Intended Use Plan (IUP) for state fiscal year 2002 (July 1 through June 30) as required under Section 606c of the Clean Water Act. The federal FY2001 capitalization grant is covered by this IUP.

The primary purpose of the IUP is to identify the proposed annual intended use of the funds available in Idaho's Wastewater Facilities Loan Account. Projects on the priority list, from which this IUP was derived, have been reviewed by the public in accordance with Idaho's Administrative Procedures Act (Idaho Code 67-5201 et. seq.) and approved by the State Board of Environmental Quality.

The IUP includes the following:

- lists of prospective loan projects including payment schedules for those most likely to qualify for a loan
- long-term and short-term goals
- assurances and specific proposals
- criteria and methods for distribution of funds
- attachments relevant to the above

Capitalization of **\$43,375,450** will come from six sources:

1. Idaho's allotment of the FFY2001 appropriation to Title VI programs of **\$6,496,100**.
2. A state match of **\$1,299,220** is being reserved in the Water Pollution Control Account and will be transferred to the Wastewater Facilities Loan Account.
3. **\$12,674,329** will come from the SRF Fund. While the fund has a total cash balance of \$40,897,819, \$28,223,490 of that amount must be reserved for disbursement to projects that received loans in prior years but are not completed.
4. Loan repayments and earnings of **\$9,340,000**. \$4,940,000 will accrue during April, May and June of 2001. This includes \$4,500,000 early loan repayment from the City of Hailey. Another \$4,400,000 will accrue during FY 2002.

5. Interest earnings on the fund balance of **\$2,500,000**. \$500,000 is for the period of April through June of 2001 and \$2,000,000 is for fiscal year 2002.
6. **\$11,326,233** is available from capitalization grants that have been awarded to DEQ in previous years and the state match. Loan awards have been made for these funds but projects are still under construction and the funds have not been drawn.

Sources of SRF Funds	Amount
Federal Fiscal Year 2001 Capitalization Grant	\$ 6,496,100
20% State Match	1,299,220
Net cash In The SRF Account as of 3/2001	12,674,329
Loan Repayments 4/01 - 6/01 and 7/01 - 6/2002	9,340,000
Interest Earnings 4/01 - 6/01 and 7/01 - 6/2002	2,500,000
Undisbursed Capitalization Grants and State Match	11,326,233
SUBTOTAL:	\$43,635,882
Less: Funds Reserved For Administrative Expenses	260,432
Funds Available For New Loans	\$43,375,450

II. List of Projects

Attachment I, Binding Commitments, contains the projects expected to be funded that were selected from the FY2002 SRF Project Priority List which is Attachment II. Projects are arranged on the list in priority order. Both project lists were presented in a public hearing on May 11, 2001.

The first use requirement of the Act [Section 602(b)(5)], relating to National Municipal Policy (NMP) does not apply in Idaho since all NMP needs have been met with separate funds in the form of state and federal grants and separate state loans in FFY89.

III. Long-and Short-Term Goals

DEQ's long-term goals are to:

1. Protect public health and the waters of the state by offering financial assistance for the construction of wastewater treatment facilities.
2. Assist local communities as they strive to achieve and maintain statewide compliance with federal and state water

quality standards.

3. Administer Idaho's Wastewater Facilities Loan Account to ensure its financial integrity, viability and revolving nature in perpetuity.

DEQ's short-term goals are to:

1. Perform all necessary tasks to assure that all loan assistance requested from FFY2001 funding is provided for projects on the list in a timely manner.
2. Explore opportunities to expand the uses of SRF funds to include funding non-point source projects.
 - Work with 319 Program to coordinate efforts
 - Solicit non-point source projects for FY2003 Priority List
3. Address long-term funding for SRF administrative costs when capitalization grants are no longer provided.
 - Determine a source of funding administrative costs
 - Establish an account in which to deposit the funds

IV. Information on the Activities to be Supported

A. Allocation of funds.

The primary type of assistance to be provided by the SRF is expected to be low interest loans for up to 100% of project costs. The rate of interest in State FY2002 will be 3.75%.

All loans will be paid back over a period not to exceed 20 years. Principal and interest repayments must begin no later than one year after the initiation of operation date.

B. Administrative Costs of the SRF.

DEQ plans to reserve not more than four percent of the capitalization grant for administrative expenses.

C. Loan Eligible Activities.

SRF loans will provide for planning, design and construction of secondary, advanced secondary, interceptors and appurtenances for infiltration/inflow correction, collector sewers and rehabilitation. SRF loan assistance will be provided to local communities, counties, sewer districts, and non-profit sewer associations for the construction of publicly owned wastewater treatment facilities. Loans may also be provided to sponsors of non-point source projects to implement water pollution control projects. Such projects must be consistent with the State

Water Quality Management Plan and demonstrate a nexus or benefit to a municipality.

V. **Assurances and Specific Proposals**

A. Environmental Reviews - 602(a)

DEQ certifies that it will conduct environmental reviews of each project receiving assistance from the SRF. DEQ will follow EPA approved NEPA-like procedures in conjunction with environmental reviews.

These procedures are outlined in Section 01.12041 of the state Rules for Administration of Wastewater Treatment Facility Loans. More detailed procedures are embodied in the Wastewater Facilities Loan Account Handbook of Procedures (Chapter 5).

B. Binding Commitments - 602(b)(3)

DEQ will enter into binding commitments for 120% of each quarterly payment within one year of receipt of that payment. Binding commitment dates are listed in Section VI of this plan.

C. Expeditious and Timely Expenditures - 602(b)(4)

DEQ will expend all funds in the SRF in a timely and expeditious manner.

D. First Use Enforceable Requirements - 602(b)(5)

DEQ certifies that all major and minor WWTF's that the state has previously identified as part of the National Municipal Policy Universe are:

- (a) in compliance, or
- (b) on an enforceable schedule, or
- (c) have an enforcement action filed, or
- (d) have a funding commitment during or prior to the first year covered by an IUP.

E. Compliance with Title II Requirements - 602(b)(6)

DEQ agrees to meet the specific statutory requirements for publicly-owned wastewater treatment projects constructed in whole or in part before FY 1995 with funds directly made available by federal capitalization grants. DEQ agrees to comply with and to require recipients of loans from Idaho's Wastewater Facility Loan Account to comply with applicable federal cross-cutting requirements. DEQ will notify EPA when consultation or coordination by EPA is necessary to resolve issues regarding these requirements.

DEQ plans to use both its federal capitalization grant and state match on "equivalency projects". These projects meet the sixteen specific statutory requirements provided by Section 602(b)(6) of the Clean Water Act as amended by the Water Quality Act of 1987, Public Law 100-4 and are eligible under 201(b), 201(g)(1) and (2), 201(N) and 211.

F. State Matching Funds - 602(b)(2)

DEQ agrees to deposit into the SRF from state monies an amount equal to twenty percent of the capitalization grant on or before the date on which the state receives each cash draw from EPA. These funds will be transferred from Idaho's Water Pollution Control Account.

G. State Laws and Procedures - 602(b)(7)

DEQ agrees to expend each quarterly grant payment in accordance with state laws and procedures.

H. Consistency with Planning

DEQ agrees that it will not provide assistance to any project unless that project is consistent with plans developed under Section 205(j), 208, 303(e), 319, or 320.

I. National Reporting Needs

DEQ agrees to provide data or information to EPA as may be required for national reports, public inquiries, or Congressional inquiries.

VI. Criteria and Method for Distribution Of Funds

The following principles and procedures will be the basis for the administration, funding, allocation and distribution of the SRF monies. They are designed to provide maximum flexibility for assistance and assure long-term viability of the revolving program.

A. Program Administration

Four percent of the capitalization grant provided by EPA will be set aside to be used for program administration.

B. SRF Priority List

Letters of Interest were sent to all cities, counties and water and sewer districts in the state. Returned Letters of Interest and priority list rating forms were sent to Project Engineers in DEQ regional offices to complete a rating of projects in each region. Once all of the forms were completed a meeting was held of the Engineers to rate and rank the projects for a statewide list. The result of the rating and ranking was the preliminary priority list

which was presented at the public hearing. Letters of Interest were not sent to potential non-point source applicants because the rules expanding the uses of the SRF to include non-points projects were still before the Idaho Legislature at the time the Letters of Interest were sent.

Projects are rated using the following criteria:

1. 150 points - Public health emergency certified by the DEQ Board or a Health District Board
2. 0 to 100 points - Watershed restoration
3. 0 to 100 points - Watershed protection
4. 0 to 100 points - Preventing impacts to uses
5. 0 to 50 points - Secondary incentive ranking points

Attachment III contains the guidance document which fully explains how DEQ staff applied the above criteria when rating individual projects.

C. Fundable Projects

The highest rated projects on the adopted Priority List that are ready to proceed are selected for funding and are listed on the IUP. These fundable projects are listed on Attachment I. DEQ staff starts at the top of the Priority List and works as far down the list as needed to select enough projects that are ready to proceed to use all of the funds that are available. In cases where a lower ranked project is selected it is because higher ranked projects have not indicated a readiness to proceed.

In some cases the project amount on Attachment I is less than the project amount on the Priority List. The Priority List amount is the estimate of the total project cost, while the costs on Attachment I are the amount that project applicants expect to borrow from the SRF. In each case the difference will be provided from some other source such as cash on hand or a grant from the Community Development Block Grant program administered by the Idaho Department of Commerce.

D. Disbursements

The estimated timing and amount of disbursements for the projects on the new IUP are added to the latest cash disbursement request projections for prior year funded and projected projects. The projections are normally provided to EPA in July each year. The projections are based upon

estimated disbursement schedules submitted by loan recipients and projected timing of loan agreements, adjusted for corrections by regional project engineers and state office staff. These disbursements are tracked on an on-going basis to project needed cash from all capitalization grants and state match. All funds will be expended in an expeditious and timely manner.

E. Federal Payments

Idaho's proposed payment schedule for each capitalization grant is based upon the projected timing of signed loan agreements with projects listed on the current and prior IUPs. This allows for adjustment of prior IUP projects to be reflected in the federal payment schedule.

F. State Match

Idaho's match for all capitalization grants is provided from funds that are drawn from the state Water Pollution Control Account. The Water Pollution Control Account derives its funding from a set amount of \$4.8 million from the state sales tax and is perpetually appropriated to DEQ under Idaho Code Title 63, Chapter 36.

VII. Additional Information Requirements

A. Public Review and Comment

Projects on the FY2001 SRF List of Fundable Projects and Project Priority List were approved by the Board at the 6/14/2001 meeting. Copies of the list were mailed to interested parties thirty days in advance of the hearing date. Also, notices of the priority list review process were printed in major Idaho newspapers 21 days prior to the hearing date. At the Boise hearing, DEQ delivered a thorough discussion of its intent to develop a priority list and IUP for the low-interest revolving loan program. This message was also included in public notices sent to Idaho newspapers and to a large list of private interested parties such as consulting engineers, local governments, and local government advocacy groups.

In addition to the above, the draft Intended Use Plan including the Fundable List and Project Priority List was posted on the DEQ website during the comment period.

B. Bypass Procedures

A project that does not or will not meet the project target date or a DEQ schedule that allows for timely utilization of loan funds may be bypassed, substituting in its place the next highest ranking project(s) that is ready to

proceed (Rules IDAPA 16.01.12020,06). DEQ intends to utilize priority list ranking as much as possible when preparing the Intended Use Plan. However the lack of adequate funding, changes in project scopes, failure to pass a bond election, or other unforeseen circumstances may require that a project on the Intended Use Plan be removed.

If a project is removed, DEQ will offer loan funds to the highest ranked, ready to proceed project from the most current approved Priority List, either the current year or the extended listing for future years, and revise the Intended Use Plan accordingly.

LIST OF FUNDABLE PROJECTS

<u>PROJECT</u>	Priority List <u>Number</u>	<u>LOAN AMOUNT</u>	BINDING COMMITMENT <u>DATE</u>
Administration		\$260,432	9/00
Greenleaf, City	1	1,500,000	12/01
Fremont County	2	1,088,100	3/02
Ashton, City	3	1,500,000	3/02
Spirit Lake, City	4	775,000	3/02
Ririe, City	5	1,000,000	3/02
Burke Canyon	6	500,000	6/02
Coolin Sewer Dist.*	7	1,800,000	12/01
McCammon, City	8	800,000	3/02
Rigby, City	9	1,000,000	3/02
Roberts, City	10	800,000	3/02
Lewisville, City	11	1,500,000	3/02
Shoshone, City	12	170,000	3/02
Coeur d'Alene, City	13	9,000,000	12/01
South Lake Sewer Dist.*	14	6,000,000	6/02
Valley View Heights	15	500,000	3/02
Burley, City*	16	12,000,000	12/01
Granite Reeder S.D.*	24	2,000,000	3/02
Hagerman, City of	18	1,181,918	3/02
TOTAL		\$43,375,450	

*Projects carried forward from Prior Year

A description of each of the projects listed above is provided on the following pages.

LIST OF FUNDABLE PROJECTS - PROJECT DESCRIPTIONS

City of Greenleaf	(Canyon County, Boise Regional Office)	\$1,500,000
The City of Greenleaf is served by individual septic tanks. A facility planning effort is underway to determine the best alternative for treatment. Loan funds will be used for design and construction of the chosen alternative.		
Fremont County	(Fremont County, Idaho Falls Regional Office)	\$1,088,100
Design and construction of an upgrade to the existing treatment facility at Ponds Lodge.		
City of Ashton	(Fremont County, Idaho Falls Regional Office)	\$1,500,000
Design and construction of an upgrade collector and interceptor sewer lines.		
City of Spirit Lake	(Kootenai County, Coeur d'Alene Regional Office)	\$775,000
Design and construct new lagoon and expand existing land application site to comply with DEQ consent order.		
City of Ririe	(Bonneville County, Idaho Falls Regional Office)	\$1,000,000
Design and construction of an upgrade to the existing wastewater treatment facility.		
Burke Canyon	(Shoshone County, Coeur d'Alene Reg. Office)	\$500,000
This unincorporated area is served by individual, mostly substandard septic tanks and some direct discharge to subsurface waters. A facility planning effort will the determine cost-effective treatment alternative to address these water quality and public health problems.		
Coolin Sewer District*	(Bonner County, Coeur d'Alene Reg. Office)	\$1,800,000
The CSD needs to upgrade their lagoon/land application wastewater system to meet current state requirements. The DEQ issued "Wastewater Land Application Permit" includes a compliance schedule which the District must meet to avoid additional enforcement action and/or fines. Loan funds will be used to bring the system into compliance through upgrading the lagoons and expanding the land application system or design and construct a new treatment facility.		
City of McCammon	(Bannock County, Pocatello Regional Office)	\$800,000
A facility planning effort will determine the cost-effective alternative for upgrading the existing wastewater treatment facility. Loan funds will be used for design and construction of the chosen alternative.		
City of Rigby	(Jefferson County, Idaho Falls Regional Office)	\$1,000,000
Design and construction of an upgrade to the existing wastewater treatment facility including an evaluation of system inflow and infiltration.		
City of Roberts	(Jefferson County, Idaho Falls Regional Office)	\$800,000
Design and construction of an upgrade to the existing wastewater treatment facility including an evaluation of system inflow and infiltration.		
City of Lewisville	(Jefferson County, Idaho Falls Regional Office)	\$1,500,000
Lewisville is currently served by individual septic tank systems. A facility planning effort will determine the cost-effective solution for centralized treatment. Loan funds will be used to design and construct the chosen alternative.		

- City of Shoshone (Lincoln County, Twin Falls Regional Office) \$170,000**
Design and construction of a constructed wetlands to reduce total suspended solids (TSS) in the effluent discharge.
- City of Coeur d'Alene (Kootenai County, Coeur d'Alene Regional Office) \$9,000,000**
Design and construction of Phase IV-B upgrade to the existing wastewater treatment facility. This phase includes new headworks, influent pumping, piping upgrade, improvements to backup power supply and other improvements to the treatment facility to comply with the NPDES permit compliance schedule.
- South Lake Sewer District (Valley County, Boise Regional Office) \$6,000,000**
South Lake is a densely populated recreational home community generally known as "West Mountain". It is situated on the southwest shore of Cascade Reservoir. Most houses in the District are on individual septic systems and many are on individual wells. Potential and existing public health and water quality problems are being created by the dense clustering of septic systems in close proximity to domestic wells and Cascade Reservoir. Studies in recent years by DEQ and Central District Health Department show bacterial contamination of wells in the area and nutrient loading to the reservoir. Poor soil in the area and high ground water table contribute to the problems. The best way to correct these problems is through installation of a wastewater collection system attached to central treatment off site. This loan would help finance construction of the central sewer system.
- Valley View Heights Sub. (Lemhi County, Idaho Falls Regional Office) \$500,000**
Design and construction of new interceptor and collector sewer lines.
- City of Burley* (Cassia County, Twin Falls Regional Office) \$12,000,000**
Existing wastewater lagoons at Burley are undersized and inefficient. They will be replaced with mechanical treatment, probably oxidation ditches. This will be a major overhaul. The new facilities will eliminate current problems with excess ammonia and suspended solids, and pH imbalance. It will also provide some badly needed reserve treatment capacity.
- Granite Reeder Sewer District* (Bonner County, Coeur d'Alene Reg. Office) \$2,000,000**
The GRSD consists of some high density neighborhoods which have individual subsurface wastewater disposal systems. Many of these systems are substandard and groundwater monitoring has indicated that nutrients from these systems are entering Priest Lake. The "Priest Lake Management Plan" contains a condition that the District work towards the construction of a centralized wastewater treatment and disposal system. Loan funds would be used to construct this system.
- City of Hagerman (Gooding County, Twin Falls Regional Office) \$1,181,918**
Design and construction of upgrade to the wastewater treatment facility, interceptor and collector sewer lines. Existing facility is approaching hydraulic, organic and nutrient loading capacity.

FY 2002 STATE WASTEWATER LOAN PRIORITY LIST

FINAL APPROVED

WW LOAN

Rank	Project	FY 2002 Rating	Reg. Off.	DEQ Est. Loan Amt.	Needs Cat.	Project Description	Step	Discharge Permit #	BOD	SS
1	Greenleaf, City of	150	BRO	1,500,000	I, IIIA, IIIB	New Secondary	4	No permit		
2	Fremont County/Ponds Lodge	135	IFRO	1,088,100	I	Plant Upgrade	4	No permit		
3	Ashton, City of	134	IFRO	1,500,000	IVA,B	Upgrade collectors and interceptors.	4	ID-002371-0	30	30
4	Spirit Lake, City of	131	CDA	775,000	I	Construct new lagoon, expand land application Site	4	No discharge		
5	Ririe, City of	129	IFRO	1,000,000	I	Plant Upgrade	4	ID-002617-4	45	70
6	Burke Canyon	129	CDA	500,000	I,IVA, B	New secondary, New collectors and interceptors	4	ID-002102-4	30	30
7	Coolin Sewer District	129	CDA	1,800,000	I	Upgrade WWTP, land application system and Collection system in accordance with WLAP compliance schedule.	4	ID-002150-4	30	30
8	McCammon, City of	129	PRO	800,000	I	System Upgrade.	4			
9	Rigby, City of	120	IFRO	1,000,000	I, IIIA	Plant upgrade, Evaluate I/I	4	ID-002001-0	30	30
10	Roberts, City of	119	IFRO	800,000	I, IIIA	Plant upgrade, Evaluate I/I	4	ID-002691-3		
11	Lewisville, City of	111	IFRO	1,500,000	I, IVB,A	New secondary.	4	No discharge		
12	Shoshone, City of	110	TF	170,000	I	Additional treatment needed.	4	ID-002372-8	45	70
13	Coeur d'Alene, City of	104	CDA	26,000,000	I	Upgrade of WWTP to meet NPDES compliance schedule	4	ID-002285-0	30	30
14	South Lake Recreational Sewer & Water District	104	BRO	6,000,000	I, IVA, B	New treatment plant and collection system.	4	No permit		
15	Valley View Heights	101	IFRO	500,000	IVA,B	New collectors and interceptors	4	No permit		

FY 2002 STATE WASTEWATER LOAN PRIORITY LIST

WW LOAN

FINAL APPROVED

Rank	Project	FY 2002 Rating	Reg. Office	DEQ Est. Loan Amt.	Needs Cat.	Project Description	Step	Discharge Permit #	BOD	SS
16	Burley, City of	100	TFRO	12,000,000	I	New Treatment plant.	4	ID-002009-5	30	30
17	Nampa, City of	97	BRO	4,000,000	I	Construction of new primary digester	4	ID-002206-3	30	30
18	Hagerman, City of	96	TFRO	2,400,000	I, IVA-B	Treatment plant upgrade, Sewer upgrade	4	ID-002594-1	45	70
19	North Lake Recreational SISCRA Trailer Park	95	BRO	230,000	I, IVA, IVB	New collection and treatment facility	4	No permit		
20	Buhl, City of	95	TFRO	4,000,000	I, IVA, B	Nutrient removal, sewer rehabilitation.	4	ID-002066-4	60	60
21	North Lake Recreational Tamarack Falls	94	BRO	800,000	I, IVA, IVB	Construction central collection and conveyance system.	4	No permit		
22	North Lake Recreational Lake Cascade Ranch	92	BRO	270,000	I, IVA, IVB	New central collection and treatment facility.	4	No permit		
23	Jerome, City of	91	TFRO	2,800,00	I	Plant Upgrade.	4	ID-002016-8	30	30
24	Granite-Reeder Sewer District	89	CDA	2,000,000	I,IVA, B	New secondary treatment system/New collectors and interceptors	4	No permit		
25	North Lake Recreational Wagon Wheel West	85	BRO	300,000	I, IVA, IVB	Extension of wastewater collection system.	4	No permit		
26	Filer, City of	85	TFRO	250,000	I, IVB	Replace main sewer line.	4	ID-002006-1	30	30
27	Homedale, City of	78	BRO	700,000	I,IVA, B	Upgrade of treatment and collection.	4	ID-002042-7	45	70
28	Plummer, City of	78	CDA	2,000,000	IIIB, IVB	I/I rehabilitation and land application system Upgrade	4	ID-002278-1	30	30
29	Boise, City of	78	BRO	10,000,000	I	South plant upgrade – West Boise Plant.				
30	Boise, City of	75	BRO	6,000,000	I	New digester – West Boise Plant.				
31	Star Sewer & Water	59	BRO	1,600,000	I, IVB	Upgrade existing lagoon treatment plant and replace interceptor line.	4	ID-002359-1	45	70
32	Mountain Home, City of	51	BRO	500,000	I	Upgrade wastewater collection and treatment	4	No permit		
33	Boise, City of	10	BRO	1,000,000	I	Digester Gas Improvement-Lander Street Plant.				
34	Boise, City of	10	BRO	930,000	I	Digester Gas Improvement-West Boise				

***Needs Category**

I	Secondary Treatment	IVA	New Collector Sewers
II	Advanced Treatment	IVB	New Interceptor Sewers
IIIA	Infiltration/Inflow Correction	V	Combined Sewer Overflows
IIIB	Replacement/Rehabilitation	VI	Storm Sewer

WARNING: USE OF THIS LIST AS A MAILING LIST OR A TELEPHONE NUMBER LIST IS PROHIBITED BY IDAHO CODE SECTION 9-348 AND IS PUNISHABLE BY A CIVIL PENALTY OF UP TO \$1,000.

FINAL SCORE_____

PRIORITY YEAR_____

GUIDANCE FOR INTEGRATED PRIORITY SYSTEM:
WATER QUALITY PROJECT RANKING
DEQ Water Pollution Control Loan Program

PROJECT NAME_____ PROJECT ADDRESS (*Street? P.O. Box*)_____ City_____

Zip Code_____ Telephone_____

Contact Person_____

Date of Rating_____

Project Rater_____ Regional Office_____

SECTION I - INTEGRATED PRIORITY SYSTEM

An integrated priority system will be used by the Department to annually allot available funds to water quality projects determined eligible for funding assistance under the water pollution control loan program in accordance with the Rules for Administration (16.01.12). Each water quality project will be ranked by the integrated priority system in accordance with this guidance.

Following in **Section I** are four major rating categories, **A, B, C and D**. Answer “**Yes**” to the rating category that best fits your project then answer the questions related to that category in the appropriate **subsection (A, B, C or D) in Section II**. If the subject project does not fit any of the rating categories (i.e., you answer “**NO**” to all four questions) then the project is not eligible for further funding considerations by the DEQ Loans Program.

- A) **Public Health Emergency or Public Health Hazard:** Will the proposed project eliminate an officially declared or designated water-borne public health hazard or public health emergency?

____ Yes ____ No If YES, go to page 2

- B) **Watershed Restoration:** Will the proposed project address watershed restoration as identified in the *Unified Watershed Assessment and Restoration Priorities for Idaho*?

____ Yes ____ No If YES, go to page 2

- C) **Watershed Protection from Impacts:** Will the proposed project address watershed protection as identified in the *State Water Quality Standards* or the *Idaho Ground Water Quality Rule*?

____ Yes ____ No If YES, go to page 5

- D) **Preventing Impacts to Uses:** Will the proposed project addresses preventing watershed

degradation?

____ Yes ____ No If YES, go to page 6

If you have answered Yes to a category in this Section (Section I), please advance to Sections II and III and answer questions in the appropriate subsections.

SECTION II WATER QUALITY PROJECT RANKING

Only statewide initiatives or regional on-the-ground implementation project proposals that have answered “**Yes**” to a subsection in **Section I** may continue for ranking consideration under **Section II**.

A. Public Health Emergency or Public Health Hazard (Bypasses Section III)

Emergency*	<u>150</u>
No Emergency	<u>0</u>

***Note: An emergency is an Officially declared or designated public health hazard or emergency that is a documented health threat certified by a Health District Board or Environmental Quality Board.**

Section II. A Points _____
(0 or 150 pts)

B. Watershed Restoration

The project implements best management practices or initiates construction or wastewater collection and treatment facilities as part of an approved TMDL, protects threatened waters identified through the States Nonpoint Source Management Program plan, or is part of a special water quality effort (i.e., Governors Bull Trout Conservation Plan, etc.). **Score the subject project under numbers 1 and 2 of Watershed Restoration.**

1. Status - Points can be assigned based upon the status in the TMDL schedule, priority of the listed 303(d) water, implications to threatened or endangered species, impacts to a sole source aquifer, impacts to an outstanding resource water or impacts to sensitive, or special resource ground water, or compliance with an NPDES permit. **Select a subpart (a., b, c or d) and complete a rating for the subject project.**

No Status.

- a. -Not included on a current 303 (d) list, not on a TMDL schedule, not out of compliance with a NPDES permit, not part of a known special surface or groundwater category or listing, or does not effect listed threatened or endangered species.

0 Pts

b. Low Status

Project is Located on a low priority 303(d) water body on the 8-year TMDL schedule (2005 or further out on the 8-year schedule)

_____8pts

- Status of the TMDL in project subbasin:

-TMDL completed but not approved No 0 pts /Yes 5 pts _
 -TMDL Approved by EPA No 0 pts/Yes 5 pts ____
 -TMDL Implementation Plan approved by DEQ No 0 pts/Yes 5 pts ____

- Expected benefits to a sole-source aquifer and other ground water resources (based on available maps showing boundaries of sole source aquifers on Rathdrum Prairie, Eastern Snake River Plain, and Lewiston Basin).

Outside _____1
 Borderline _____3
 Within boundary _____5

- Expected reduction in impacts to threatened and endangered Species.

Low _____1
 Medium _____3
 High _____5

- Current level of compliance with NPDES and land application permit.

Low _____5
 Medium _____3
 High _____1

Subtotal

c. Medium Status

Project is Located on a medium priority 303(d) water body on the 8-year TMDL Schedule (2003 or 2004 on the 8-year schedule) _____ 12pts

- Status of the TMDL in project subbasin:

-TMDL completed but not approved No 0 pts / Yes 5 pts
 -TMDL Approved by EPA No 0 pts / Yes 5 pts
 - TMDL Implementation Plan approved by DEQ No 0 pts / Yes 5 pts

- Expected benefits to a sole-source aquifer and other ground water resources

Low _____1
 Medium _____3
 High _____5

- Expected reduction in impacts to threatened and endangered Species.

Low _____1
 Medium _____3
 High _____5

- Current level of compliance with NPDES and Land Application permits

Low _____5
 Medium _____3
 High _____1

Subtotal _____

d. High Status

Project is located on a high priority 303(d) water body according to the 8-year TMDL schedule _____20pts

- Status of the TMDL in project subbasin:
 - TMDL completed but not approved No 0 pts / Yes 5 pts
 - TMDL Approved by EPA No 0 pts / Yes 5 pts
 - TMDL Implementation Plan Approved by DEQ No 0 pts / Yes 5 pts

- Impacts to a sole-source aquifer and other ground water resources

Low _____ 1
 Medium _____ 3
 High _____ 5

Expected benefits reduction in impacts to threatened and endangered Species.

Low _____ 1
 Medium _____ 3
 High _____ 5

Level of compliance with NPDES and Land Application permits

Low _____ 5
 Medium _____ 3
 High _____ 1

Subtotal _____

2. Potential for Restoration Points - Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of the State of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of nonpoint source impacts, or the project will promote statewide nonpoint pollution reduction or remediation. **Select one subpart below.**

- a. No load reduction or effectiveness calculations provided 0 Pts
- b. Improvements are minor (ex. <25% estimated reduction in pollutant load) or statewide project will require substantial capital/manpower commitment: 15 Pts
- c. Designated or existing beneficial uses of surface or ground water are partially restored and the impacts are reduced (ex. >25% reduction but <75% reduction in pollutant load) or statewide project will require moderate capital/ manpower commitment: 30 Pts
- d. Designated or existing beneficial uses of surface or ground water are partially restored or the impacts are reduced (ex. >75% reduction but <100% reduction in pollutant load) or statewide project will require minimal capital/manpower commitment: 50 Pts

Section II. B Points _____
(0 to 101 pts)

C. Watershed Protection from Impacts

Score the subject project under number 1, 2, and 3 of Watershed Protection from Impacts.

1. Points will be assigned based upon: the number of stream miles impacted; the number of lake/reservoir surface acres impacted; the extent of groundwater impacts to beneficial uses or; ability of a statewide project to promote point- or nonpoint source pollution reduction or mitigation. Proposed project applicants must include a map showing the impact area of the proposed water quality projects to receive more than the minimal score. **Select a Subpart (a, b, c, or d) and complete the rating for the subject project.**
 - a. Low Impact - Little evident impact is noted due to point- or nonpoint source contribution or statewide NPS project initiatives (i.e., less than 5 miles or 200 acres effected or minor impacts to ground water):5 Pts
 - b. Moderate Impact - Moderate impact is noted due to point- or nonpoint source contributions or statewide NPS project initiatives (i.e., approximately 5 miles or 200 acres effected or moderate impacts to ground water). 15 Pts
 - c. High Impact - Severe impact is noted due to point source (i.e., under administrative, or consent order) or nonpoint source contribution (i.e., more than 5 miles or 200 acres effected or severe impacts to ground water) or statewide NPS project initiatives: 35 Pts
2. Potential for Restoration Points - Points are awarded according to the expected effectiveness of the project and the transferability of the demonstrated technologies to other parts of the State of Idaho. The proposed project will either restore designated or existing beneficial uses, reduce the severity of point- or nonpoint source impacts, or the project will promote statewide nonpoint pollution reduction or remediation.
(Select one subpart below)
 - a. No load reduction or effectiveness calculations provided: 0 Pts
 - b. Improvements are minor (ex. <25% estimated reduction in pollutant load) or statewide project will require substantial capital/manpower commitment:5 Pts
 - c. Designated or existing beneficial uses of surface or ground water are partially restored and the documented impacts are reduced (ex. >25% reduction but <75% reduction in pollutant load) or statewide project will require moderate capital/manpower commitment: 15 Pts
 - d. Designated or existing beneficial uses of surface or ground water are partially restored and the documented impacts are reduced (ex. >75% reduction but <100% reduction in pollutant load) or statewide project will require minimal capital/manpower commitment: 35 Pts
3. Nexus/benefit to municipality - Points are awarded based on the commitment of a municipality to directly benefit for implementing or financing a portion of the proposed project. A municipality-driven project is awarded the maximum 30 points.

Community/Agency Support

- a. No support letters. 0 Pts
- b. One to Two support letters. 10 Pts
- c. Three or more support letters OR municipal-driven project. 30 Pts

Section II. C Points _____
(0 to 100 pts)

D. Preventing Impacts to Uses

Score project under numbers 1, 2, and 3 of Preventing Impacts and Uses.

1. Points will be assigned based upon the documented number of designated beneficial uses impacted by nonpoint source pollutants. **Select a subpart (a, b, c, or d) and complete a rating for the subject project.**

Number of use Impacts:

- a. No Impacts 0 Pts
 - b. One or Two Uses 10 Pts
 - c. Three or Four Uses 25 Pts
 - d. Four or more Uses 40 Pts
2. Nexus/benefit to municipality - Points are awarded based on the commitment of a municipality for implementing or financing a portion of the proposed project. **(Select one subpart below.)**

Community/Agency Support

- a. No support letters. 0 Pts
 - b. One to Two support letters. 20 Pts
 - c. Three or more support letters. 40 Pts
3. State and National Priorities - Points will be assigned based upon recognition of the special status of waters or uses of those waters.

Instruction: answer statements below: a, b, or c or any combination:

- a. State Priorities - The project impacts either: a State Park or State Recreational Area, a blue ribbon fishery, water classified as a special or outstanding resource water, or designated as part of a sole source aquifer, an area of high ground water vulnerability, or the project enhances the State's nonpoint source management program. 10 Pts
- b. National Priorities - A nonpoint source or statewide initiative project is intended to positively impact either: a threatened or endangered species, a wilderness area, a Wild and Scenic River or a sole source aquifer. 10 Pts
- c. Not Applicable 0 Pts

Section II. D Points _____
(0 to 100 pts)

SECTION II-WATER QUALITY PROJECT RANKING

SUBTOTAL POINTS = _____
(0 to 100 pts)

SECTION III SECONDARY 'INCENTIVE' PROJECT RANKING

All projects are ranked under Section III criteria, which are established for use to further rank Water Quality Project Ranking from Section II of the Guidance. Answer the following set of questions specifically as it relates to the project. Each answer that receives points accordingly should be subtotaled for Section III and added to the score from Section II for "Grand Total Points." **Answer one per question and sum the cumulative in the Subtotal.**

1. Is project ready to proceed (for NPS Project ONLY _____ Yes = 11 pts; _____ No = 0 pts)

No Facility Plan	_____ 0 pts
Consultant hired for Facility Plan Preparation	_____ 3 pts
Draft Facility Plan	_____ 5 pts
Approved Facility Plan and Environmental Review Completed	_____ 7 pts
10% or more (Preliminary) Design Completed	_____ 9 pts

2. Resulting monthly user service (charges) rates as an outcome of the project (e.g., hardship, etc.).

up to \$20	_____ 3 pts
\$20 to \$30	_____ 6 pts
> \$30	_____ 9 pts

3. Is financial documentation in place to ensure payback assurance?

No Plan	_____ 0 pts
Bond council or financial consultant retained	_____ 5 pts
Legal instrument(s) in place (e.g., bond election, bylaws, etc.)	_____ 9 pts

4. Project will correct an water quality impact being created by current point or non-point wastewater disposal practices _____ 3, 6 or 9 pts

5. Project will correct an existing or potential health hazard (not emergency) being created by current point or non-point wastewater disposal practices. _____ 7, 11 or 14 pts

Section III **Points** _____
(0 to 50 Pts)

GRAND TOTAL POINTS _____
(0 to 150 Pts)

ATTACHMENT IV

EPA PAYMENT SCHEDULE

FFY2001 IUP

<u>Quarter Ending</u>	<u>Payments</u>	<u>Total</u>
9/2001	\$260,432	\$260,432
12/2001	6,235,668	6,496,100

Payments are defined as increases to the amount of funds available from the Automated Clearinghouse(ACH).

PUBLIC NOTIFICATION AND INVOLVEMENT STRATEGY

FOR

FY-2002 WASTEWATER AND DRINKING WATER PRIORITY LISTS

The public was involved in the FY2002 priority list development at several points in the process. Involvement for the drinking water and wastewater lists was the same -needs were solicited directly from the systems through a survey mailed out by the DEQ early in the priority list process. This solicitation was done prior to a priority list development meeting with regional engineering staff in Boise in March. Information on the completed survey forms was used in part by the State and Regional office staff in preparing draft lists. A copy of the survey form and the cover letter that was sent with it are included as attachments here. We are finding that combining information obtained directly from eligible entities with that provided by our engineering staff results in the most accurate listing of infrastructure needs.

Notification that all four FY2002 priority lists were available for public review was given in Idaho's six major (regional) newspapers for approximately twenty-one days prior to a hearing on the lists in Boise. Notices were published three times in each of the newspapers. Copies of proofs of publication are included as attachments here.

The hearing was held on May 11, 2001. Only 2 people attended but neither person provided comments regarding the Drinking Water SRF project lists.

Notification of availability of the lists was also placed on DEQ's web site starting twenty-one days prior to the hearing. A copy of the web site cover page is included here.

Separate letters of notification of availability of the lists were sent to all entities included on all four lists approximately twenty-one days prior to the hearing. In those letters we explained that the lists would be available for review at our regional and state offices and on the Internet.

Approval packages related to the four lists were sent to the Board of Environmental Quality prior to their meeting on June 14, 2001. Copies of the Issue Analyses for the SRF loan lists and the Board agenda are included as attachments here. DEQ staff made presentations at the Board meeting on June 14 and answered questions about the lists. All lists were approved by the Board on June 14.